

REGULAR MEETING OF

BELMONT REDEVELOPMENT AGENCY

Tuesday, January 11, 2005 7:30 PM

CALL TO ORDER 7:40 P.M.

ROLL CALL

Directors Present: Mathewson, Feierbach, Bauer, Metropulos, Warden

Directors Absent: None

Staff Present: Interim Executive Director Rich, Deputy City Attorney Zafferano, Community Development Director Ewing, Agency Secretary Cook.

ITEMS APPROVED ON CONSENT CALENDAR

Approval of Minutes of December 14, 2004.

ACTION: On a motion by Director Mathewson, seconded by Director Metropulos, the Consent Calendar was unanimously approved by a show of hands.

ADDITIONAL BUSINESS

Presentation on Development Proposal for Old City Hall Site - Habitat for Humanity

Community Development Director Ewing gave a brief history of the former city hall property on Fifth

Avenue. In 1996, the Redevelopment Agency purchased the site from the City for \$1.4 million from its

low-to-moderate income (LMI) fund. In 1999 the property was rezoned low-density residential, with the

potential for 7-10 housing units. He noted that the creek culvert runs under the property, which could

affect the final number of units.

Community Development Director Ewing stated that Request for Proposal was issued in 2003 seeking potential developers for the site, and two were received. He stated that the first presentation would be given this evening, and the second would be at a special RDA meeting on January 25. He clarified that notification was made to the property owners within 300 feet of the property, as well as all of the property owners on Fifth Avenue.

Mark Moulton, Habitat for Humanity, gave a Power Point presentation describing their nonprofit organization and its plans for potential development of the site. He noted that Habitat is in its 15th year, and helps families achieve property ownership. He described the use of volunteers for building housing projects, and clarified that they partner with the families for ongoing maintenance and upkeep. He described other projects in which Habitat for Humanity has been involved.

Mr. Moulton stated that Habitat's proposal was to provide housing for ten families, seven as single-family structures, and one triplex. The desire was for the homes to complement the neighborhood. He noted that City staff provided the financial summary included in the presentation.

Mr. Moulton noted that Habitat for Humanity is a self-help program, and owners are required to volunteer 500 hours for the project, and attend home maintenance classes. He commented that Habitat is willing to work with the City to ensure a quality product.

Director Feierbach asked if the sale of homes could be restricted to Belmont teachers and/or City employees. Mr. Moulton responded that Habitat follows fair housing laws and would restrict sales if desired and permitted by law. Community Development Director Ewing stated that such a restriction cannot be imposed, but direct and aggressive marketing may achieve the goal.

Mr. Moulton stated that he would be happy to take Directors on a tour of other Habitat projects if they desired.

Director Bauer stated that he was active with Rotary's Interact program at Carlmont High School in the 1990's, and that the students worked on some of Habitat's projects. He commented that the homes were good quality.

In response to Director Mathewson, Mr. Moulton stated that Habitat's proposal did not need ten housing units to make this project feasible, and that they customarily matched family size to the size of the unit.

In response to Chair Warden's questions regarding resale restrictions, Mr. Moulton clarified that this was accomplished through deed restrictions. Habitat for Humanity holds a right of first refusal, and can foreclose if mortgage payments are not made. He noted that the mortgage period is a minimum of 40 years, and added that all restrictions are outlined in the sales contract.

Discussion ensued. In response to Director questions, Mr. Moulton stated that property tax is calculated on the sales price, and that a lottery system is used for multiple applications. He clarified that once a home is purchased, if a member of the family experiences a substantial increase in salary, the home can be sold back to Habitat so that the family can use the equity and upgrade. He also clarified that equity is accumulated at a cap rate of 3 percent per annum.

Community Development Director Ewing noted that since the property was purchased with LMI monies, it must be developed for moderate or low-income families.

ADJOURNMENT at this time being 8:10 P.M.

Meeting tape-recorded and videotaped
Tape No. 599

Terri Cook
Agency Secretary